

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

APPLICATION OF

ALLTEL COMMUNICATIONS, INC.

CASE NO. PST-2002-00003

ALLTEL COMMUNICATIONS  
OF VIRGINIA, INC.

ALLTEL COMMUNICATIONS  
OF VIRGINIA NO. 1, INC.

RCTC WHOLESALE CORPORATION

PETERSBURG CELLULAR PARTNERSHIP

VIRGINIA RSA 2 LIMITED PARTNERSHIP

Application for review and correction  
of items of certification to the  
Department Of Taxation - Tax Year 2001

Application for correction of assessment  
of special regulatory revenue tax and for  
a refund - Tax Year 2001

REPORT OF HOWARD P. ANDERSON, JR.,

HEARING EXAMINER

November 13, 2002

NOV 13 10 24

DEPT OF CONTROL

HEARING EXAMINER: On April 24, 2002, Alltel Communications, Inc., Alltel Communications of Virginia, Inc., Alltel Communications of Virginia No. 1, Inc., RCTC Wholesale Corporation, Petersburg Cellular Partnership, and Virginia RSA 2 Limited Partnership (collectively "Alltel") filed a Joint Petition for review and correction of gross receipts certified and taxes assessed pursuant to Sections 58.1-400.1 and 58.1-2660 of the Code of Virginia.

According to the Joint Petition, Alltel's predecessor entities reported for tax year 2001 certain revenues that are deductible from gross receipts subject to the special regulatory revenue tax levied under Section 58.1-2660 of the Code of Virginia. Alltel maintained that special taxes in the amount of at least \$46,362.39 were overpaid, and it requests a refund. Alltel also requests that the Commission recertify its gross receipts subject to the minimum tax levied under Section 58.1-400.1 A of the Code of Virginia.

Commission records reflect that the predecessor entities were assessed the special

tax for tax year 2001.

By order dated August 9, 2002, the Commission determined that Alltel has applied for review of its assessments within one year of payment and in the form required by Section 58.1-2674.1 of the Code of Virginia. The Commission further determined that Alltel had applied for review and correction of the certification of its gross receipts to the Department of Taxation within 18 months of the date of the certification. The Commission docketed the application and assigned this matter to a Hearing Examiner.

On November 4, 2002, Commission Staff and Alltel offered a *Stipulation containing an agreement on all matters before the Commission in this proceeding. As set forth in the Stipulation:*

1. On or about May 31, 2001, Alltel sent to the Commission a check payable to the Treasurer of Virginia in the amount of \$498,079.87, representing the special revenue tax for the calendar year 2000.

2. Statements of gross receipts filed by Alltel or its predecessor entities mistakenly

included roaming revenues which are deductible from gross receipts pursuant to Section 58.1-400.1(D) (1) and 58.1-2662.1(1) of the Code of Virginia.


3. The notices of gross receipts subject to the minimum tax for Alltel or its predecessor entities should be corrected as set forth in Sections 5 and 6 of the Stipulation.

I find that the Stipulation represents a correct and fair resolution of the Application and should be accepted by the Commission. In that regard, I further find that:

1. Refunds totaling \$46,362.40 should be made as set forth in the Stipulation; and

2. Corrected certifications should be made promptly to the Virginia Department of Taxation.

Accordingly, I recommend that the Commission adopt the findings made herein, accept the Stipulation as a just and reasonable outcome to this proceeding, and issue a final order to that effect.

  
Howard P. Anderson, Jr.  
Hearing Examiner